Peter R. Porcino (prp@cll.com) Eric J. Shimanoff (ejs@cll.com) COWAN, LIEBOWITZ & LATMAN, P.C. 1133 Avenue of the Americas New York, NY 10036 (212) 790-9200 Attorneys for Plaintiff Mazaya Trading Co. SARL UNITED STATES DISTRICT COURT SOUTHERN DISTRICT OF NEW YORK MAZAYA TRADING CO. SARL, Plaintiff, No. 11 Civ. 3195 (WHP) (GWG) -against-**REPLY TO COUNTERCLAIM** VCS GROUP LLC, Defendant.

Plaintiff Mazaya Trading Co. SARL ("Plaintiff" or "Mazaya"), by and through its undersigned counsel, as and for its Reply to the Counterclaim asserted by Defendant VCS Group LLC ("Defendant" or "Camuto"), alleges as follows:

- 1. Plaintiff denies the allegations in Paragraph 1 of the Counterclaim, except admits that Defendant purports to assert claims under the same Distribution Agreement upon which Plaintiff sues in this action.
- 2. Plaintiff denies the allegations in Paragraph 2 of the Counterclaim, and refers to the contents of the Distribution Agreement for the terms thereof.

- 3. Plaintiff denies the allegations in Paragraph 3 of the Counterclaim, except admits that Plaintiff placed orders for Products at various times, not all of which were filled by Defendant.
 - 4. Plaintiff denies the allegations in Paragraph 4 of the Counterclaim.
 - 5. Plaintiff denies the allegations in Paragraph 5 of the Counterclaim.
- 6. Plaintiff denies the allegations in Paragraph 6 of the Counterclaim, except admits that Defendant has withdrawn approximately \$60,000 from a letter of credit, but without any right to do so.
- 7. Plaintiff repeats and realleges each and every response to paragraphs 1 through 6 of the Counterclaim above as if fully set forth herein.
 - 8. Plaintiff denies the allegations in Paragraph 8 of the Counterclaim.
 - 9. Plaintiff denies the allegations in Paragraph 9 of the Counterclaim.
 - 10. Plaintiff denies the allegations in Paragraph 10 of the Counterclaim.
 - 11. Plaintiff denies the allegations in Paragraph 11 of the Counterclaim.
 - 12. Plaintiff denies the allegations in Paragraph 12 of the Counterclaim.

FIRST AFFIRMATIVE DEFENSE

Defendant's claims, if any, are barred by its own breach of the Distribution Agreement.

SECOND AFFIRMATIVE DEFENSE

Defendant's claims, if any, are barred by the doctrine of unclean hands.

WHEREFORE, Plaintiff respectfully requests that this Court enter judgment in its favor against Camuto as follows:

- A. Dismissing the Counterclaim against Plaintiff in its entirety.
- B. Awarding Plaintiff the relief requested in the First Amended Complaint.

Dated: New York, New York October 28, 2011

COWAN, LIEBOWITZ & LATMAN, P.C.

By: ___s/ Peter R. Porcino_

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